

RD00
St. Mary's College of Maryland – Capital

Capital Budget Summary

State-owned *Capital Improvement Program*
(\$ in Millions)

Projects	Prior Auth.	2022 Request	2023 Est.	2024 Est.	2025 Est.	2026 Est.	Beyond CIP
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New Academic Building and Auditorium	\$63.233	\$20.309	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Campus Infrastructure Improvements	13.281	1.500	1.500	2.000	2.000	2.000	0.000
Goodpaster Hall Renovation	0.000	0.165	1.825	0.000	0.000	0.000	0.000
Montgomery Hall Renovation	0.000	0.000	0.000	0.000	1.500	10.000	25.319
Total	\$76.514	\$21.974	\$3.325	\$2.000	\$3.500	\$12.000	\$25.319

Fund Source	Prior Auth.	2022 Request	2023 Est.	2024 Est.	2025 Est.	2026 Est.	Beyond CIP
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GO Bonds	\$70.658	\$21.513	\$3.325	\$2.000	\$3.500	\$12.000	\$25.319
Nonbudgeted Funds	4.115	0.461	0.000	0.000	0.000	0.000	0.000
General Funds	1.741	0.000	0.000	0.000	0.000	0.000	0.000
Total	\$76.514	\$21.974	\$3.325	\$2.000	\$3.500	\$12.000	\$25.319

CIP: *Capital Improvement Program*
GO: general obligation

Key Observations

Current deficits in study/stack space and research laboratory space are not expected to be eliminated by fiscal 2029.

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Analysis of the FY 2022 Maryland Executive Budget, 2021

Summary of Recommended Bond Actions

1. Academic Building and Auditorium

Approve the \$20,013,000 general obligation bond authorization for the new academic building and auditorium.

2. Campus Infrastructure Improvements

Approve the \$1,500,000 general obligation bond authorization for campus infrastructure improvements.

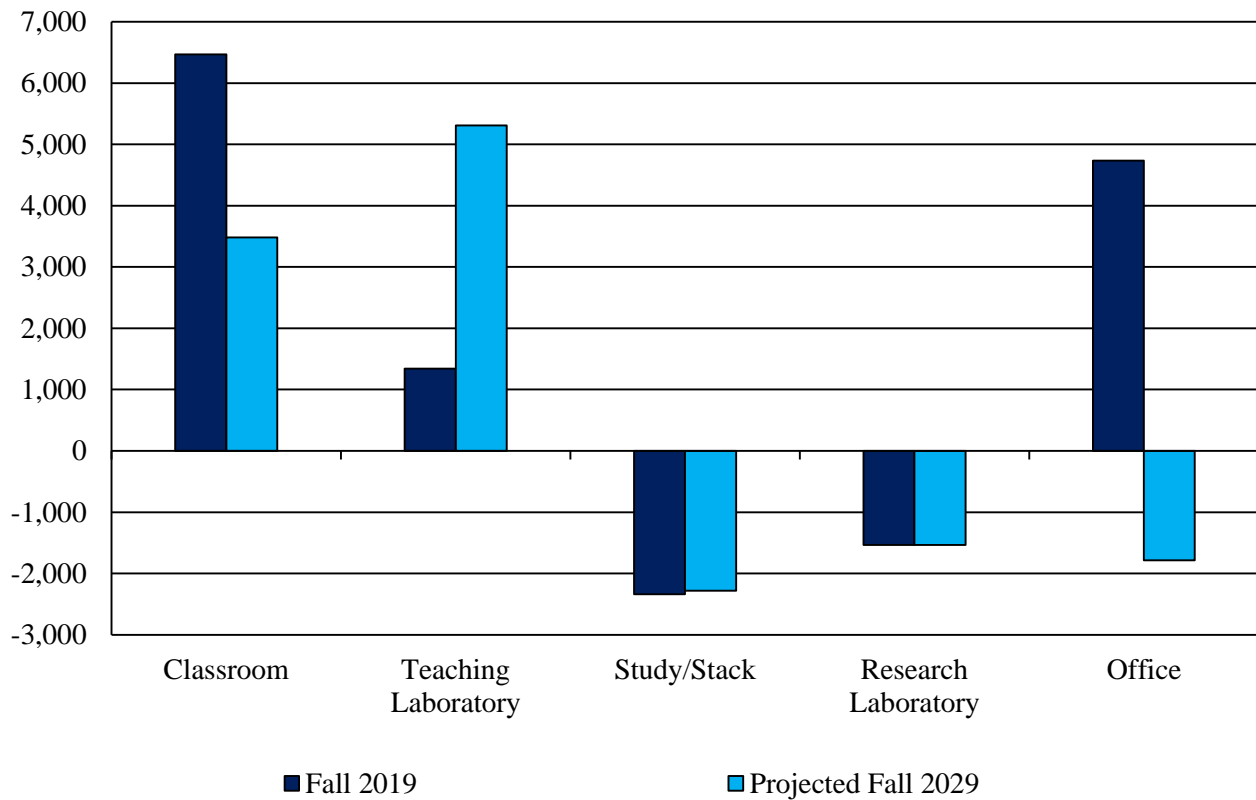
3. SECTION 2 – St. Mary’s College of Maryland – Anne Arundel Hall Reconstruction

Approve the change to the prior authorization to extend termination date.

Summary of Academic Space

The current deficits in study/stack space and research laboratory space are expected to remain until fall 2029, while the teaching laboratory space surplus is expected to increase; the surplus in classroom space is expected to remain in 2029 albeit with a smaller surplus. Office space decreases from a space surplus to space deficit. **Exhibit 1** provides the breakdown of the space surplus and deficit by net assignable square footage by academic support space category.

Exhibit 1
Academic Space Surplus and Deficit
Fall 2019 and Projected Fall 2029
Net Assignable Square Feet



Source: Department of Budget and Management, 2020 *Capital Improvement Program*

Budget Overview

New Academic Building and Auditorium

The fiscal 2022 capital budget includes \$20.013 million in general obligation (GO) bonds to complete a multiphase project that includes the relocation of the athletic fields and the construction of the new academic building and auditorium for the college's music and education departments, including a 700-seat auditorium on the site of the old athletic field. Nonbudgeted funds totaling \$0.296 million are also included in fiscal 2022 for construction of the new academic building and auditorium café.

Phase I Athletic Facilities

Completed in August 2019 at a cost of \$12.8 million (including \$3.7 million in institutional funds), phase I relocated the athletic complex that included the construction of a running track, grass field, artificial turf field, and a new stadium facility equipped with bathrooms, locker rooms, concessions, storage searing, and parking. The relocation of these facilities provided the site for the construction of the new academic building and auditorium.

Phase II Construction of the New Academic Building and Auditorium

Construction of the new academic building and auditorium commenced in January 2020 and is expected to be completed in February 2022 at a cost of \$70.7 million (including \$0.7 million in institutional funds). The fiscal 2022 budget provides \$19.4 million to complete construction and \$883,000 to equip the facility. When put into service, the new academic building will reduce St. Mary College of Maryland’s (SMCM) academic, study, and assembly space deficits and resolve the inadequate programming space for arts and music disciplines.

Campus Infrastructure Improvements

The fiscal 2022 capital budget provides \$1.500 million in GO bonds for campus infrastructure improvements. In addition, the budget includes a proposed fiscal 2021 special fund deficiency appropriation of \$1.000 million using bond premium proceeds available in the Annuity Bond Fund from the July 2020 bond sale, increasing the total budgeted funds to \$2.5 million. The *Capital Improvement Program* (CIP) includes a fixed level of \$2.000 million annually in GO bonds for campus infrastructure improvements at the campus beginning in fiscal 2024. The fiscal 2022 project list includes three projects and totals \$3.0 million.

- ***Schaefer Hall Central Plant Replacement (\$2.475 Million):*** This project will replace the main boilers, chiller, cooling tower, and all associated valves and pumps. Schaefer Hall houses many of the college’s science department, and its HVAC system is over 25 years old and requires continual maintenance and costly annual repairs.
- ***Calvert Hall Window Replacement (\$425,000):*** The windows, lintels, and trim on Calvert Hall date from the 1925 construction of the building. These windows are in poor condition; they leak air, waste energy, and allow dirt and mold-causing moisture to enter the building.
- ***Campus Roadway Repairs, Phase Three (\$100,000):*** This project will continue the road repairs, improvements, and Americans with Disabilities Act compliance by repaving and repairing road and walkways throughout campus that are in poor condition.

The estimated cost of the projects that SMCM intends to undertake in fiscal 2022 exceeds the level of budgeted funds by \$500,000. The college will explore a number of different project phasing options, including funding a portion of the Calvert Hall window replacement project with fiscal 2021 funds and funding a portion of the Schaefer Hall project in fiscal 2023 based on the project schedule.

SMCM identifies deferred maintenance projects that will be addressed during a particular fiscal year based on a variety of factors. College staff as well as third-party, subject-matter experts provide information on the condition of various building components and systems. In addition, SMCM staff utilize software to perform a facility lifecycle audit to help guide reinvestment needs. Infrastructure projects at SMCM are then prioritized. Highest priority is assigned to projects that significantly impact the mission of the college and require immediate action to return a facility to normal operation, stop accelerated deterioration, or correct a cited safety hazard – especially those conditions that potentially impact an entire building or pose a significant risk to health and safety. Lastly, projects may be combined either by type, such as roofing, or by building to achieve efficiencies.

Based on these evaluation protocols, SMCM has identified an additional estimated \$17.0 million in deferred maintenance project costs that it intends to undertake during the five-year period covered by the CIP. In addition to what is programed in the CIP, SMCM typically budgets between \$1.0 million to \$1.3 million annually in its operating budget to address its facility renewal needs. SMCM reports that the COVID-19 pandemic has not interrupted its capacity to contribute college resources to the program. **Exhibit 2** provides the campus infrastructure improvement projects that have been identified by SMCM as being anticipated to be completed over the next several fiscal years.

Exhibit 2
St. Mary’s College of Maryland
Campus Infrastructure Improvements

<u>Project</u>	<u>Anticipated Costs</u>
Historic Campus Masonry Restoration and Slate Roof Replacement	\$2,750,000
Schaefer Hall Fume Hood Upgrades	2,100,000
Kent Hall HVAC Replacement, Phases I and II	1,800,000
North Campus Nodal Loop Expansion	800,000
Athletics and Recreation Center Roof Replacement	750,000
Campus Fiber Infrastructure Upgrades	525,000
Campus Center Roof Replacement	420,000
Library IT Generator and Transfer Switch Replacement	350,000
Calvert Hall and Montgomery Hall Underground Storage Tank Removal	250,000
Library Lower Roof Replacement	250,000

IT: information technology

Source: Department of Budget and Management, 2020 *Capital Improvement Program*

Summary of Other Projects in the Capital Improvement Program

- ***Goodpaster Hall:*** State funds totaling \$1.825 million for the Goodpaster Hall renovation are programmed in fiscal 2023. The project will address teaching and research space deficiencies for science, technology, engineering, and mathematics disciplines after the current building occupants relocate to the new academic building and auditorium when completed. Nonbudgeted funds (institutional funds) totaling \$165,000 are scheduled in fiscal 2022 and will fund design of the renovations.
- ***Montgomery Hall:*** State funds totaling \$1.500 million are programmed to start the design of renovations to Montgomery Hall in fiscal 2025. The estimated cost of this project totals \$36.8 million, most of which is beyond the scope of the five-year 2021 session CIP. This project will result in a significant renovation of Montgomery Hall, including HVAC upgrades, emergency power generator replacement, fire alarm and sprinkler upgrades, roofing repairs, window and door replacements, in addition to addressing the functional and spatial deficiencies of the academic program that currently occupy the building.

GO Bond Recommended Actions

1. Approve \$20,013,000 in general obligation bonds for the new academic building and auditorium.
2. Approve \$1,500,000 in general obligation bonds for campus infrastructure improvements.
3. This language amends a prior authorization to ensure that funds expended for the Anne Arundel Hall reconstruction may not terminate prior to June 1, 2023.

Operating Budget Impact Statement

Executive’s Operating Budget Impact Statement – State-owned Projects
Fiscal 2022-2026
(\$ in Millions)

	2022	2023	2024	2025	2026
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New Academic Building and Auditorium						
	Estimated Operating Cost	\$0.082	\$0.784	\$0.784	\$0.811	\$0.839
	Estimated Staffing	0.000	4.500	4.500	4.500	4.500

The new academic building and auditorium project will result in an increase in gross square feet of the campus infrastructure, as this project will add two new buildings to the campus. The estimated staffing increase is for the hiring of custodial, maintenance, and ground staff to ensure the proper operation and maintenance of the new facility.